## JUDSON H. HILL, ESQ.

August 24, 2019

## **BY ECFS**

Marlene Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

Re: <u>Sage Telecom Communications</u>, <u>LLC and Telscape Communications</u>, <u>Inc. d/b/a</u> TruConnect Notice of Oral Ex Parte Presentation; WC Docket No.17-287, 11-41 and 10-90.

Dear Ms. Dortch:

On September 20, 2019 I, counsel to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively TruConnect) communicated with Chairman Pai's Wireline Advisor, Nirali Patel, (by telephone) to discuss the pending Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study filed by CTIA, the National Consumer Law Center, National Hispanic Media Coalition, OCA – The Asian Pacific American Advocates and the United Church of Christ, Inc. as well as the ongoing roll-out of the National Verifier. <sup>2</sup>

During the call I discussed our strong support for the pending Joint Petition and reminded her that TruConnect recently filed supportive comments. I emphasized that the record clearly demonstrates the substantial and broad support, which we share, for both proposals advocated for in the Joint Petition, i.e. to pause any increases in the mobile broadband minimum service standards and retain full Lifeline support for the stand-a-lone voice and voice centric bundles, until the Commission can study the impact of such changes on access to and affordability of Lifeline services for low-income consumers and then report on such findings in the forthcoming *State of the Lifeline Marketplace Report* due June 2021. I emphasized that the Petition drew no opposition.

I also shared our support of and the importance of both the Commission's Rural Broadband and proposed Telehealth Pilot initiatives plus how critical telecommunications connectivity is to America's economic development and job creation, to be able to access world class healthcare and also to access emergency first responders. I also reminded them how many low-income Americans, many elderly and lower income veterans depend on the Lifeline program services. I especially emphasized that the success of the Commission's rural broadband and especially that the telehealth pilot could very well be jeopardized by the decline of the Lifeline program participation and the anticipated impact expected by

<sup>&</sup>lt;sup>1</sup> See Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket No. 11-42 et al. (filed June 27, 2019) ("Joint Petition").

<sup>&</sup>lt;sup>2</sup> See Third Report and Order, Further Report and Order, and Order on Reconsideration, WC Docket No. 11-42, U.S. Federal Communication Commission, Washington, D.C., March 31, 2016

the recently noticed over 400 percent increase (2Gb to 8.75Gb) in the mandated broadband minimum service standards coming December 1, 2019.<sup>3</sup>

During the meetings I noted that if the FCC does not immediately act to grant the Joint Petition to prevent this new data standard from going into effect December 2019, then Lifeline subscribers could expect an approximate \$30 per month immediate price increase causing many otherwise eligible subscribers to drop out of the program. Raising the monthly Lifeline cost three or four times will make the plans unaffordable to many low-income consumers. The neediest of low-income Americans – many Lifeline subscribers – will then lose access to better jobs, healthcare and first responders; the Commission's telemedicine and rural broadband initiatives will be jeopardized and likely suffer. I further noted that since the Commission already recognizes the need to conduct a *Lifeline Marketplace Report*, the Commission should consider its own reasoning and pause the implementation of the December 2019 minimum standard increase to permit more time to make a more informed data supported decision after this Report is published. It's important for the Commission to take immediate action to avoid triggering certain state notification requirements, and moreover, the pending negative impact on Americans who truly need a lifeline.

Then I emphasized that at the 2Gb data allowance level, Lifeline subscribers are not left behind. For example, 2Gb is sufficient to fully utilize telehealth applications. In fact, 2Gb is well within the normal monthly data usage for private payers. In spite of unlimited post-paid data plans, even Verizon Wireless reports that its subscribers only use an average between 1 and 2Gb of data per month; nothing even close to 5, 6, 7 or 8Gb per month. I then shared that most current Lifeline mobile wireless offerings are robust and in no way second class.

We also discussed the status of the National Verifier and TruConnect's strong support, combined with support from other industry members, to maintain or return to soft launch roll out status, whichever is applicable. Until all state and federal databases that are needed for verification, I noted that states should not be required to proceed to National Verifier hard launch. I also shared that until the necessary API solution is fully implemented, tested and operational in every state to enable a Lifeline ETC to electronically interface with the National Verifier, then its logical and necessary to first complete and test technology improvements before a launch. National Verifier updates that merely change the method ETCs communicate with the verifier program without actually creating real time interfaces with a one-step, rather than multiple step, process is not beneficial, nor does it meet the programs objectives.

I acknowledged that the Medicaid databases have very recently been made available to the National Verifier, however other databases are not yet available plus the lack of an operational API still makes a mandated use of the National Verifier challenging. The current consequences of the pre-mature rollouts are affecting thousands of Americans.

<sup>&</sup>lt;sup>3</sup> See Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, DA 19-704 (July 25, 2019).

In the private sector companies pause rolling out new technologies until it works. The FCC should require the same, otherwise, the very low-income Americans it was designed will continue to suffer. Furthermore, eligible subscribers' difficulties enrolling and accessing lifeline services the program was created to offer make it much more difficult for them to find or keep a job, access or participate in the FCC telehealth pilot or access emergency first responders.

I also acknowledged the Commission's stated efforts to quickly improve the national verification process. For these reasons and those previously stated in TruConnect filings, I emphasized the critical and immediate need to suspend the hard launches in states and revert existing hard launch states to soft launch to provide more time to confirm secure and operable access to all state database and interfaces. Although gradual improvements such as "opening" of databases helps and changes providing minor multiple step requirements for the ETCs to interact with the verifier may be deemed helpful, however, from a technological standpoint, it is best to fully suspend the roll-outs and first ensure that the verifier truly works as intended.

We concluded our conversations by me expressing a desire to actively and constructively help the Commission achieve their stated objectives.

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,

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cc: Nirali Patel, Legal Advisor to Chairman Pai